

# HOUSE BILL 215

L1, Q3

2lr0355  
CF SB 882

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By: **Delegates Stukes, Anderson, Boteler, Braveboy, Burns, Carter, Clippinger, Conaway, Glenn, Gutierrez, Hammen, Harrison, Haynes, Howard, McHale, Mitchell, Tarrant, Walker, ~~and Washington~~ Washington, and O'Donnell**

Introduced and read first time: January 25, 2012

Assigned to: Environmental Matters and Ways and Means

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 17, 2012

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Local Government – Investment in Our Youth (IO–YOUth) Programs**

3 FOR the purpose of authorizing a county to establish an Investment in Our Youth  
4 (IO–YOUth) Program; providing that a Program must be established as a  
5 qualified organization eligible to receive certain contributions under a certain  
6 provision of federal law; specifying the purpose of the Program; requiring a  
7 Program to provide summer jobs for certain youths by hiring them to work for a  
8 certain county or by providing grants to certain nonprofit organizations that  
9 will provide summer jobs; requiring a county that establishes a Program to  
10 establish a committee to carry out the Program; specifying that a nonprofit  
11 organization must meet certain requirements to be eligible for a grant from a  
12 Program; prohibiting a nonprofit organization that receives a grant from a  
13 Program from using the grant for certain purposes; requiring a county that  
14 establishes a Program to establish a special fund that is to be used to fund the  
15 Program; specifying that the Program is to be funded by certain funds and  
16 donations; providing that certain funds may be used only for funding the  
17 Program; authorizing an employer to make a deduction from the wage of an  
18 employee, under certain circumstances, for the benefit of a Program; requiring  
19 that a certain written request include certain information; requiring certain  
20 employers to ~~pay certain funds to the Comptroller; requiring the Comptroller to~~  
21 distribute ~~to the~~ to certain counties certain funds at certain times; requiring  
22 certain employers to report certain information to certain counties at certain

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 ~~times; requiring a county that receives certain funds to pay the funds into a~~  
 2 ~~certain special fund, except under certain circumstances; requiring a county~~  
 3 ~~that receives certain funds to divide and distribute the funds equally to certain~~  
 4 ~~counties under certain circumstances; specifying the amount of funds~~  
 5 ~~distributed to a county under a certain provision of this Act; requiring the~~  
 6 ~~Comptroller to distribute, at certain times, a certain amount of certain funds to~~  
 7 ~~an administrative cost account; allowing an individual or a corporation a~~  
 8 ~~subtraction modification under the Maryland income tax equal to the amount of~~  
 9 ~~a donation to a Program if the donation is not allowed as a deduction under the~~  
 10 ~~federal income tax; authorizing a county to receive certain direct donations for~~  
 11 ~~the benefit of a Program; requiring certain counties to provide certain receipts~~  
 12 ~~to certain persons; providing for the construction of a certain provision of this~~  
 13 ~~Act; providing for the application of certain provisions of this Act; defining~~  
 14 ~~certain terms; and generally relating to Investment in Our Youth (IO-YOUth)~~  
 15 ~~Programs.~~

16 BY adding to  
 17 Article 24 – Political Subdivisions – Miscellaneous Provisions  
 18 Section 25–101 through 25–104 to be under the new title “Title 25. Investment  
 19 in Our Youth (IO-YOUth) Programs”  
 20 Annotated Code of Maryland  
 21 (2011 Replacement Volume)

22 ~~BY repealing and reenacting, without amendments,~~  
 23 ~~Article – Tax – General~~  
 24 ~~Section 10–208(a) and 10–308(a)~~  
 25 ~~Annotated Code of Maryland~~  
 26 ~~(2010 Replacement Volume and 2011 Supplement)~~

27 ~~BY adding to~~  
 28 ~~Article – Tax – General~~  
 29 ~~Section 10–208(r)~~  
 30 ~~Annotated Code of Maryland~~  
 31 ~~(2010 Replacement Volume and 2011 Supplement)~~

32 ~~BY repealing and reenacting, with amendments,~~  
 33 ~~Article – Tax – General~~  
 34 ~~Section 10–308(b)~~  
 35 ~~Annotated Code of Maryland~~  
 36 ~~(2010 Replacement Volume and 2011 Supplement)~~

37 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
 38 MARYLAND, That the Laws of Maryland read as follows:

39 **Article 24 – Political Subdivisions – Miscellaneous Provisions**

40 **TITLE 25. INVESTMENT IN OUR YOUTH (IO-YOUTH) PROGRAMS.**

1 25-101.

2 (A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS  
3 INDICATED.

4 ~~(B) "COMPTROLLER" MEANS THE STATE COMPTROLLER.~~

5 ~~(C)~~ (B) (1) "EMPLOYER" ~~MEANS:~~ HAS THE MEANING STATED IN §  
6 3401 OF THE INTERNAL REVENUE CODE.

7 ~~(1) (2) A PERSON ENGAGED IN A BUSINESS, AN INDUSTRY, A~~  
8 ~~PROFESSION, A TRADE, OR OTHER ENTERPRISE IN THE STATE; "EMPLOYER"~~  
9 INCLUDES:

10 ~~(2)~~ (1) THE STATE AND ITS UNITS;

11 ~~(3)~~ (II) A COUNTY AND ITS UNITS; ~~OR~~ AND

12 ~~(4)~~ (III) A MUNICIPAL GOVERNMENT IN THE STATE.

13 (C) "NONPROFIT ORGANIZATION" MEANS AN ORGANIZATION THAT IS  
14 EXEMPT FROM TAXATION UNDER § 501 OF THE INTERNAL REVENUE CODE.

15 (D) "PROGRAM" MEANS AN INVESTMENT IN OUR YOUTH (IO-YOUTH)  
16 PROGRAM.

17 (E) "SUMMER" MEANS THE PERIOD FROM JUNE 1 TO SEPTEMBER 30,  
18 INCLUSIVE, OF EACH YEAR.

19 25-102.

20 (A) A COUNTY MAY ESTABLISH AN INVESTMENT IN OUR YOUTH  
21 (IO-YOUTH) PROGRAM.

22 (B) A PROGRAM SHALL BE ESTABLISHED AS A QUALIFIED  
23 ORGANIZATION ELIGIBLE TO RECEIVE TAX-DEDUCTIBLE CHARITABLE  
24 CONTRIBUTIONS UNDER § 170(C) OF THE INTERNAL REVENUE CODE.

25 ~~(B)~~ (C) THE PURPOSE OF A PROGRAM IS TO PROVIDE ~~GRANTS TO~~  
26 ~~NONPROFIT ORGANIZATIONS TO PROVIDE~~ SUMMER JOBS ~~FOR:~~

27 (1) FOR YOUTHS WHO ARE AT LEAST 14 YEARS OLD AND NOT  
28 MORE THAN 18 YEARS OLD; AND



1           (ii) THE COUNTY TO WHICH THE FUNDS SHOULD BE  
2 DISTRIBUTED UNDER SUBSECTION (C) OF THIS SECTION; AND

3           ~~(iii) WHETHER THE COMPTROLLER SHOULD REFUND THE~~  
4 ~~FUNDS DEDUCTED FROM THE WAGE OF THE EMPLOYEE OR~~ THE EMPLOYEE'S  
5 ACKNOWLEDGEMENT THAT THE COUNTY SPECIFIED UNDER ITEM (II) OF THIS  
6 PARAGRAPH WILL DIVIDE AND DISTRIBUTE THE FUNDS EQUALLY AMONG THE  
7 REMAINING PROGRAMS ESTABLISHED UNDER § 25-102 OF THIS TITLE IN THE  
8 EVENT THAT THE COUNTY SPECIFIED UNDER ITEM (II) OF THIS PARAGRAPH HAS  
9 ENDED THE PROGRAM.

10           (b) (1) AN EMPLOYER SHALL ~~PAY~~:

11                   (i) DISTRIBUTE QUARTERLY TO THE COMPTROLLER A  
12 COUNTY ANY FUNDS DEDUCTED BY THE EMPLOYER FROM THE WAGE OF AN  
13 EMPLOYEE WHO IDENTIFIED THE COUNTY UNDER SUBSECTION (A) OF THIS  
14 SECTION AS THE COUNTY TO WHICH THE FUNDS SHOULD BE DISTRIBUTED; AND

15                   (ii) REPORT QUARTERLY TO THE COUNTY TO WHICH FUNDS  
16 ARE DISTRIBUTED UNDER ITEM (I) OF THIS PARAGRAPH THE NAME, ADDRESS,  
17 AND OTHER INFORMATION PROVIDED BY THE EMPLOYEE UNDER SUBSECTION  
18 (A) OF THIS SECTION.

19                   (2) THE AMOUNT OF FUNDS DISTRIBUTED TO A COUNTY UNDER  
20 PARAGRAPH (1) OF THIS SUBSECTION SHALL EQUAL THE AMOUNT OF FUNDS  
21 DEDUCTED FROM THE WAGES OF EMPLOYEES WHO HAVE SPECIFIED THE  
22 COUNTY ON THE WRITTEN REQUEST AS PROVIDED IN SUBSECTION (A) OF THIS  
23 SECTION.

24           (c) (1) ~~(i) EVERY 3 MONTHS, THE COMPTROLLER SHALL~~  
25 ~~DISTRIBUTE TO THE COUNTIES THE FUNDS THAT WERE PAID TO THE~~  
26 ~~COMPTROLLER UNDER SUBSECTION (B) OF THIS SECTION.~~

27                   ~~(ii)~~ A EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS  
28 SUBSECTION, A COUNTY THAT RECEIVES FUNDS UNDER SUBPARAGRAPH (I) OF  
29 THIS PARAGRAPH SUBSECTION (B) OF THIS SECTION SHALL PAY THE FUNDS  
30 INTO THE SPECIAL FUND ESTABLISHED UNDER § 25-104 OF THIS TITLE.

31                   (2) IF A COUNTY HAS ENDED THE PROGRAM, THE COUNTY SHALL  
32 DIVIDE AND DISTRIBUTE ANY FUNDS RECEIVED UNDER SUBSECTION (B) OF THIS  
33 SECTION EQUALLY AMONG THE REMAINING PROGRAMS ESTABLISHED UNDER §  
34 25-102 OF THIS TITLE.

~~(2) THE AMOUNT OF FUNDS DISTRIBUTED TO A COUNTY UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL EQUAL THE AMOUNT OF FUNDS DEDUCTED FROM THE WAGES OF EMPLOYEES WHO HAVE SPECIFIED THE COUNTY ON THE WRITTEN REQUEST AS PROVIDED IN SUBSECTION (A) OF THIS SECTION LESS ANY AMOUNT DISTRIBUTED TO AN ADMINISTRATIVE ACCOUNT UNDER PARAGRAPH (3) OF THIS SUBSECTION.~~

~~(3) EVERY 3 MONTHS, THE COMPTROLLER SHALL DISTRIBUTE, FROM THE FUNDS PAID TO THE COMPTROLLER UNDER SUBSECTION (B) OF THIS SECTION, THE AMOUNT NECESSARY TO ADMINISTER PARAGRAPH (1) OF THIS SUBSECTION IN THE PREVIOUS 3 MONTH PERIOD TO AN ADMINISTRATIVE COST ACCOUNT.~~

(D) A COUNTY MAY RECEIVE A DIRECT DONATION FROM A PERSON FOR THE BENEFIT OF A PROGRAM ESTABLISHED BY THE COUNTY UNDER § 25-102 OF THIS TITLE.

(E) (1) A COUNTY THAT RECEIVES FUNDS UNDER SUBSECTION (B) OR (D) OF THIS SECTION SHALL PROVIDE A RECEIPT TO:

(I) EACH EMPLOYEE WHOSE INFORMATION WAS REPORTED TO THE COUNTY BY THE EMPLOYER UNDER SUBSECTION (B) OF THIS SECTION; AND

(II) EACH PERSON FROM WHICH THE COUNTY RECEIVES A DIRECT DONATION UNDER SUBSECTION (D) OF THIS SECTION.

(2) A RECEIPT PROVIDED BY A COUNTY UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INCLUDE A STATEMENT THAT THE AMOUNT OF THE DEDUCTION FROM THE EMPLOYEE'S WAGES OR THE AMOUNT OF THE DONATION IS TAX-DEDUCTIBLE UNDER § 170(C) OF THE INTERNAL REVENUE CODE.

**25-104.**

**(A) A COUNTY THAT ESTABLISHES A PROGRAM SHALL ESTABLISH A SPECIAL FUND TO BE USED TO FUND THE PROGRAM.**

**(B) THE PROGRAM SHALL BE FUNDED BY:**

**(1) FUNDS DISTRIBUTED TO A COUNTY UNDER § 25-103 OF THIS TITLE;**

**(2) FUNDS APPROPRIATED TO THE PROGRAM BY THE COUNTY;**  
**AND**



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1 ~~SECTION 2. AND BE IT FURTHER ENACTED, That §§ 10-208(r) and~~  
2 ~~10-308(b)(6) of the Tax General Article, as enacted by Section 1 of this Act, shall be~~  
3 ~~applicable to all taxable years beginning after December 31, 2011.~~

4 SECTION ~~2.~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take  
5 effect October 1, 2012.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.